

The AMERICAN OBSERVER

PRINCETON

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Continuous and enlightened people must know well the great principles and causes on which their happiness depends. — James Monroe



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JANUARY 31, 1934

Japanese-American Policies Discussed

Several Newspapers Are Warning Readers that U. S.-Japanese War Is Near at Hand

MOST OBSERVERS NOT WORRIED

They Say that Japan's Reliance Upon Our Trade Will Preclude Rash Action

Two weeks ago we discussed in these columns the possibility of war among the nations of Europe. The danger of a European war is indeed real enough, but do we need to go so far away to discover a danger of war? Is there a possibility that our country may be engaged in a war of its own before long? To be concrete, is there a likelihood of war between America and Japan? That question has been brought to the attention of millions of American people during the last two weeks. It has been raised by a great chain of newspapers with a circulation of millions. These newspapers—the Hearst chain, it is—have placed conspicuously before their readers a story of Japanese war propaganda. “Seized Japanese Book Reveals Propaganda for War Against America” reads a three-column front page headline in the Washington Herald of January 15. The book referred to is called “Narrative of the Japanese-United States Future War,” 1,250 copies of which were seized by U. S. customs officials in Hawaii some time ago. The author is a retired Japanese naval officer, and the work has the written endorsement of Admiral Kato, councilor of military affairs, and of Vice-Admiral Suetsugu, chief of naval operations in Japan. The book describes the methods to be used in waging a war against the United States.

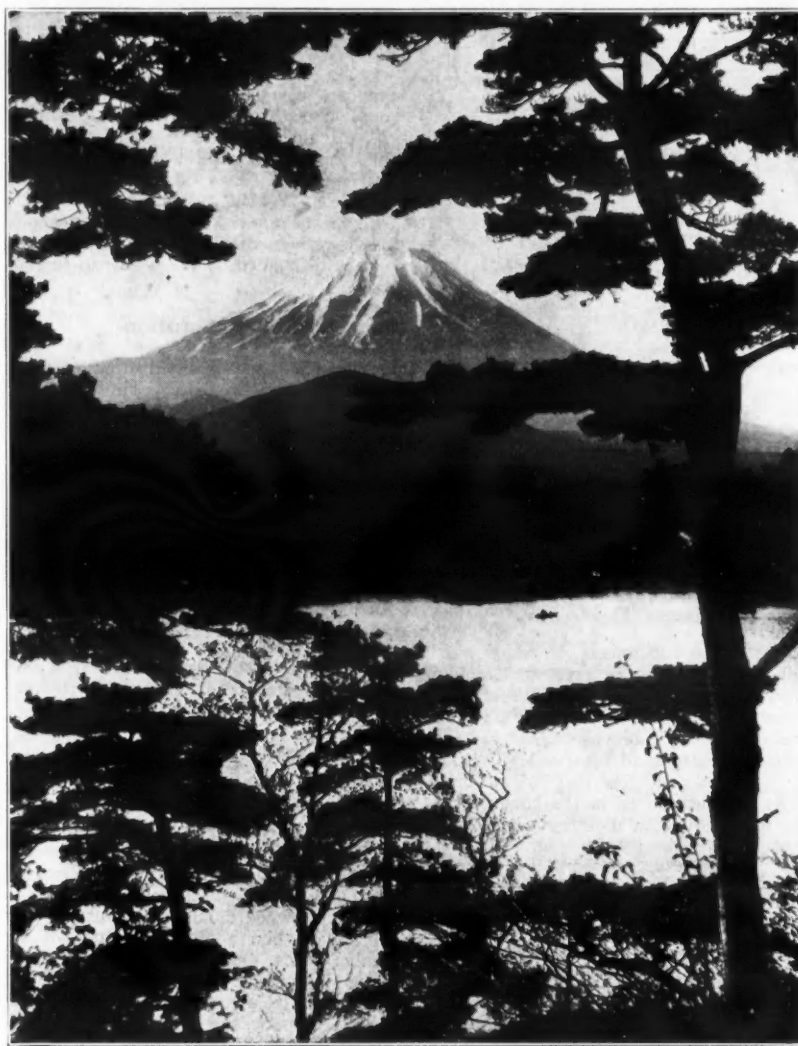
War Propaganda

The publication of this material has created a sensation—a greater sensation, no doubt, than the facts warrant. This is, after all, not the first time that members of the military and naval groups in Japan have sought to arouse their people by drawing pictures of impending war with foreign nations. Sometimes these Japanese militarists talk of war with the United States, sometimes of war with Russia, and sometimes of a conflict with Great Britain.

Moreover, the publication of books and pamphlets describing the probable course of conflicts between nations is not an unusual occurrence. In 1932, Hector C. Bywater, foremost British writer on naval affairs, wrote a book entitled, “The Great War in the Pacific.” It told in detail the events of an imaginary but possible conflict between the United States and Japan.

In each country of the world the people are divided in their attitudes toward war and the preparation for war. Each nation has its war party or parties. There are groups who are suspicious of other nations and who are looking forward to conflict. They are anxious for large war preparations. They want huge armies and navies. In this, their motives are mixed. Some of them genuinely fear war and want their country prepared for it. Others are interested in armaments or other industries

(Concluded on page 6)



FUJIYAMA—SACRED MOUNTAIN OF JAPAN

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Ballade of the Unchanging Beauty

BY RICHARD LE GALLIENNE

On every wind there comes the dolorous cry
Of change, and rumour vast of fair things sped,
And old perfections loudly doomed to die;
Axes a gleam and running torches red,
And voices shrilling, “The old world is dead!”
Yet little heed to all this noise I pay,
But lift my eyes where, walking overhead,
The moon goes silently upon her way.

For what concern with all this change have I,
Knowing the same wild words of old were said?
For change, too, changes not; yea, this old sky
Watches mankind the same vain pathway tread.
So long ago thrones crashed, and nations bled,
Yet the old world stole back at close of day,
And on the morrow men rose up to wed—
The moon goes silently upon her way.

Abbess of all yon cloistered worlds on high,
Upon my heart your benediction shed,
Help me to put the idle turmoil by,
And on the changeless be my spirit fed;
O be my footsteps on that pathway led
Where Beauty steals among the stars to pray;
And, sorrowing earth, in this be comforted—
The moon goes silently upon her way.

Envoi

Prince, toss not too uneasy on your bed,
Fearing your little crown be reft away;
Wear this undying wreath I weave instead—
The moon goes silently upon her way.

Senate Considering St. Lawrence Treaty

Roosevelt Presses for Ratification of Project to Connect Great Lakes with Ocean

STRONG OPPOSITION PRESENT

Many Senators Against Treaty, Declaring It Unwise and Costly

If we could take the Panama Canal and Muscle Shoals and combine them into one joint enterprise, we would get some idea of the magnitude of the project planned by the St. Lawrence Waterway treaty which President Roosevelt asked the Senate to ratify on January 10. But to be really accurate we should have to stretch our imaginations more than this, for the channel opened to ocean-going vessels by the St. Lawrence treaty would be 2,350 miles long, whereas the Panama Canal is only forty-four miles long, and the hydroelectric power developed would be almost four times as great as at Muscle Shoals.

A Gigantic Project

It is estimated that it would take eight years to complete the project, and that the cost to the United States would be \$272,453,000. This represents slightly more than half of the investment, the remainder to be borne by Canada, the other party to the treaty. Of the American share, \$89,726,000 would be paid by New York State, which would benefit the most by the power development proposed. The net cost to the United States government, therefore, would be \$182,726,250.

Of course, it would not be necessary to dig along the whole 2,350 miles included in the St. Lawrence waterway. The greater portion of this is already available to shipping vessels. Ocean-going steamers can now reach Montreal without difficulty. Beyond Montreal there is a stretch of 120 miles which will require considerable excavation. Elsewhere, along the route, locks and dams will have to be constructed. The channel in a number of places will have to be deepened. It is planned to establish a minimum depth of twenty-seven feet which would make the seaway navigable by about sixty-five per cent of the world's ships.

Such a gigantic undertaking may well be calculated to stir the imagination of millions of Americans and Canadians who are interested in the treaty. But it has also called forth opposition from millions of others who have no desire to see the treaty ratified. When the Senate first began consideration of the pact, it was authoritatively stated that as many as fifty senators would vote against ratification, seventeen more than enough to block the two-thirds majority necessary to ratify a treaty. It seemed likely, however, that a number of them would change their attitude because of President Roosevelt's strong espousal of the treaty. In a special message to Congress he vigorously advocated ratification. There is no doubt, therefore, that pressure will be applied on the senators by administration supporters. It is a major test of the president's influence. Some of his warmest admirers in the Senate are against him in this instance. For example,

(Concluded on page 7)

Notes From the News

Johnson Upholds NRA as Senators Criticize; Is Tammany on the Decline? Ickes-McCarl Dispute; Leisure Problem Again

A SHORT time ago General Hugh S. Johnson, national recovery administrator, delivered one of the stirring addresses for which he has become famous. He spoke at the annual dinner of the National Retail Dry Goods Association in New York City. After urging the retailers to buy only from those wholesalers who are living up to the terms of the NRA, the general made an attack upon NRA attackers. He admitted that a storm was brewing against the NRA, but he challenged its critics to devise a better plan for organizing industry. He said that a great many of those who are carrying on an underground campaign against the NRA, are doing so in the hopes of restoring the old order of things—low wages, cut-throat competition, child labor, and so on. He warned those who would "scuttle" the NRA, implying that the economic disaster which might follow would compel the government to adopt a great deal more radical program. Admitting that some mistakes had been made in the rush of pushing through the industrial codes, he said that all such mistakes would be rectified in the next few months.

Mr. Comptroller General

An argument has arisen between Public Works Administrator Harold Ickes and the comptroller general of the United States, James R. McCarl. Mr. Ickes is at the head of the new federal housing corporation which was set up under the PWA, and the purpose of which is to act as an agency for government slum clearance and housing projects. The comptroller general has questioned the legality of the housing corporation.



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J. R. McCARL

He thinks it does not have constitutional authority to spend public works appropriations. In spite of the opposition of President Roosevelt and Mr. Ickes, the comptroller general has effectively blocked any action in the matter for a short time at least. It is to be seen, therefore, that the comptroller general has wide authority. The office of comptroller general was created by Congress in the budget act of 1921. Because not a penny may be spent by the government without his approval, Mr. McCarl naturally holds a very powerful position. He was appointed when the budget act was passed, for a term of fifteen years. Many times the heads of executive departments and members of Congress have had reason to regret his authority, when he has vetoed payments which they wanted made. But his influence is generally regarded as a good one, because he sees that the letter of the law is upheld and prevents lavish spending.

However, Secretary Ickes seems determined that the housing corporation shall use Public Works money for government housing projects in cities whose poorer residents are in dire need of "decent" living quarters. As the president is behind Mr. Ickes in this desire, Comptroller General McCarl is expected to yield in this dispute.

He Didn't Need a Goose

J. J. Jonker, a poor diamond prospector of South Africa and the father of seven children, is a very happy man. Why shouldn't he be? A few days ago he discovered the fourth largest diamond ever to be found, about the size of an egg. It sold for over \$300,000.

"Four Bits" to a Dollar

Henry Morgenthau, Jr., secretary of the treasury, displayed his sense of humor a number of days ago when he visited the Senate Banking and Currency Committee to defend the administration's monetary policy. When he first entered the committee room he sat down beside Senator Barkley of Kentucky. He then reached in his pocket, drew out a fifty-cent piece, showed it to the senator from Kentucky

and laughingly remarked: "This is all I carry these days, senator. This is a dollar now."

Criticize NRA

On the same day that General Johnson was defending the NRA in his vigorous, military manner, Senators Glass, of Virginia, Borah of Idaho, and Nye of North Dakota, were attacking certain parts of the NRA on the floor of the Senate. Their chief argument was that NRA codes, in many instances, were driving small business firms out of business. They contended that the codes created monopolies, which in turn placed high prices on consumers' goods. Unless the anti-trust laws are enforced, declared Senator Borah, all recovery efforts will be nullified. President Roosevelt has not made known his position in this dispute. To date, however, he seems to be solidly behind General Johnson.



© Martin
CARTER GLASS

Shorter Hours Demanded

One of the outstanding proposals which will be pressed at the present session of Congress by the American Federation of Labor is a shorter workday and a shorter workweek, without reductions in pay. William Green, head of the A. F. of L., is thoroughly convinced that the great majority of unemployed in the country cannot be absorbed in industry unless hours of labor are greatly reduced. Machines have permanently replaced millions of men in industry, contends Mr. Green, and for this reason unless hours of labor are shortened modern inventions may prove to be a curse on humanity instead of a benefit.

Decline of Tammany

A dramatic thing is happening in New York politics—the decline and disintegration of that famous political machine, Tammany Hall. Perhaps the decline is only temporary. Tammany is an ancient institution and it has "come back" several times when it seemed to be on the road to extinction. But the defeat of the organization by the Fusionist mayor, Fiorello La Guardia, was a heavy blow. Since then Democratic leaders who have been outstanding supporters of Tammany are turning away from it. The death last week of John H. McCoey, Democratic leader of Brooklyn, the strongest ally of Tammany, is a loss which may be decisive.

Tammany Hall is one of our oldest political organizations. It was founded about the time that our national government was being established. At first it was a native American club. It emphasized its oppo-

sition to foreigners. Indian names were taken. The leaders were and still are called sachems. The headquarters was called the "wigwam." The members wore feathers and other forms of Indian regalia. Later immigrants from foreign lands came to form the chief support of Tammany. Leadership fell largely in the hands of Irish-Americans.

Tammany has been interesting not only because it has dominated the politics of our largest city but because it is the most conspicuous example of party machines, such as may be found in practically every city. Its bosses are typical of the party bosses who dominate city politics nearly everywhere. It has won widespread support by giving jobs to workers and otherwise by looking after the interests of large numbers of voters. Money which has been made through graft has too often enabled the machine to dispense gifts, largely to influential voters and thus support has been strengthened. Many cities in the country have been brought to financial ruin by the extravagance and corruption of machine rule. Perhaps more honesty and efficiency will be demanded by the people in the future.

Coughlin on Revolution

A dynamic personality is that of Reverend Charles E. Coughlin. He started out a few years ago as a serious young priest in suburban Detroit, but of recent months he has supplemented his religious work with radio addresses in which he does not hesitate to express his views on public affairs. Despite the fact that he has been severely criticized for his mixing of sacred and secular affairs, he has gained a wide following. He recently stirred up considerable drama when he bluntly said to a congressional committee before which he was appearing: "If Congress fails to carry through with the president's suggestions, I foresee a revolution greater than the French Revolution. It is either Roosevelt or ruin."

Jesse Jones of the RFC

Jesse Jones, although originally a poor farm boy, knows how to do things on a large scale. He was born fifty-nine years ago on a farm in Tennessee. At twenty years of age, young Jesse, an inexperienced farm lad, moved to Dallas, Texas, where his uncle owned a lumber company. His uncle gave him a position in one of his lumber yards. One year later the youthful Jesse was manager of the yard and three years later he was general manager of the entire company. His success from then on was rapid. He built many office buildings and banks in Houston, Texas, and by 1928 his fortune was estimated at \$100,000,000.

In 1932 when President Hoover and Congress decided to organize the Reconstruction Finance Corporation for the purpose of loaning money to destitute banks, insurance companies, railways, and other institutions, President Hoover asked Mr. Jones to be one of the directors of the RFC. Later Mr. Jones was placed at the head of this government institution which, during its two years' existence, has disbursed or authorized disbursements of \$6,000,000,000. A large part of this money was in the form of loans which must be repaid. In addition to loaning money and making outright grants for relief agencies, the RFC has bought stock in about 5,000



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JESSE JONES
He runs the R. F. C.

banks or one-third of all the banks in the country. It was supposed to discontinue its operations on January 22, but Congress and President Roosevelt decided that it should go on at least for another year. Thus Jesse Jones is likely to continue to be in the official limelight during 1934.

Leisure Time

The *Saturday Review of Literature* brings up an interesting point relative to the use of leisure time. It does not have much use for the "highbrow, official" committees which are appointed at various times to teach people how to spend their leisure time. Here is the essence of an editorial on leisure which recently appeared in this literary magazine:

If people have adequate recreational facilities and if the hours which they must work are not too long, they will not have any trouble utilizing their spare time. Instead of giving thought as to how people should spend their leisure hours, committees should work in the effort to provide more recreational facilities. They should try to provide more playgrounds, swimming pools, tennis and golf facilities, libraries, open-air concerts, and so on. They should press for higher wages in order to enable people to vacation in the country occasionally.

That there is some truth in what the *Saturday Review of Literature* says was shown by the great increase in the use of libraries last year. People without work flocked to libraries to better themselves, as well as to seek entertainment.

Planetariums

A pleasant way of studying the heavenly bodies has been provided for the people of several large cities. These cities have what are known as planetariums—buildings with globe-like tops. The ceiling on the interior of a planetarium looks very much like the sky. Stars and planets and the moon are in the same relative position as they are in the sky. The spheres are worked by a mechanical device in such a way as to show exactly how the planets move and how the moon revolves around the earth. One can gain much knowledge about the universe by paying several visits to a planetarium. The purpose of these buildings is to provide a practical approach to a mastery of the art of astronomy.

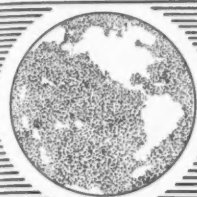
There are only a few planetariums in the country. They are to be found in Chicago, Philadelphia and Los Angeles. Construction is also being started on one in New York. The government in Washington is lending financial assistance to the New York planetarium which will cost about \$800,000.

In the future an increasing number of cities will undoubtedly build planetariums as they are proving extremely popular in those cities which have them.



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SECRETARY OF THE TREASURY MORGENTHAU IN ACTION



AROUND THE WORLD



Cuba: "Viva Roosevelt! Viva Caffery! Viva Welles!" shouted thousands of Cubans as they passed by the American embassy in Havana on January 18. The occasion for rejoicing was the selection of a new Cuban president, Carlos Mendieta. It was the first time in many weeks that the Cubans felt they had anything to cheer about. There are good reasons for believing now that Cuba is in for a period of comparative political stability. As this is written there are indications that President Roosevelt is preparing to extend recognition to Cuba, which, it is thought, will lead to revision of the Platt Amendment and to a new agreement admitting more Cuban sugar to the United States. Colonel Mendieta is a liberal conservative. He favors reforms but believes in proceeding cautiously. He has the support of most political factions and is popular with the people. Neither Grau San Martin, nor Carlos Hevia, who remained in office less than forty-eight hours, was as fortunate.

France: Foreign Minister Joseph Paul-Boncour stepped up before the Chamber of Deputies last week and announced that France would be willing to sign a ten-year non-aggression pact with Germany as Herr Hitler had suggested. It happens, however, that in 1925 France and Germany, in the Locarno pacts, made a similar pledge without placing any time limit on it. Hence it appears that M. Paul-Boncour is mak-

ing a nice gesture toward Germany in order to advance the private disarmament talks which are going on between the two countries. The negotiations are being kept secret but it transpires that both countries are showing a greater willingness to make concessions and are really making an effort to get together. The French incline to the belief that it is impossible to negotiate an agreement for the reduction of armaments at the present time and that it would be better to conclude a pact by which the nations would pledge themselves not to make any further increases for a definite period. Meanwhile the meeting of the disarmament conference bureau has been postponed again—this time to February 13.

Austria: Chancellor Engelbert Dollfuss is weakening in his fight to keep Austria from falling into the hands of Germany. Bombings and other violent incidents have been on the increase in Vienna as the Nazis become more defiant. There are rumors that Dollfuss is planning another appeal to the League to protect Austria. He recently warned Germany that it would not be an "entirely safe game" to threaten the independence and freedom of Austria.

Geneva: The Saar plebiscite issue proved too hot for the League Council to handle and the whole question of studying arrangements for the vote next year

has been turned over to a committee which will report in May. The Council was unwilling to permit open debate on the Saar question which would have brought charges that the German Nazis are conducting a vigorous propaganda campaign in the territory to assure a vote favoring annexation to Germany. (The Saar territory must decide whether it wishes to join Germany, France, or remain under League supervision.) France wanted open debate and steps to curb German propaganda. Britain and Italy did not wish to risk offending Berlin, and the Council was swung over to their view. It was not possible, however, to muffle all complaints. Saar residents opposed to Hitler sent petitions to the League, charging the Nazis with high-handed tactics to prevent the freedom of speech, and asking that the League take steps to put an end to them.

Japan: Sadao Araki, minister of war, leader of the military faction and dominant figure in Japanese politics, resigned on January 22. Illness resulting from an attack of pneumonia was given as the reason for his action which came as a general surprise. Various constructions have been placed on the event. Some say that the general took this opportunity to get out because he foresaw rising opposition to the military group's program of expansion and its consequent heavy expenditures. Others hold that there will be no change in Japanese policy and that Araki's resignation

was really due to ill health. He is succeeded by General Senjuro Hayashi who took an active part in the Manchurian campaign.

Turkey: Everyone in Turkey is soon to have a new name. For a long time there has been a confusion over names in the land of Mustapha Kemal. The trouble has arisen over the fact that no one has bothered to use a family name in addition to his own name. There are no equivalents of John Smith and Henry Jones, but just a lot of unassorted Johns and Henrys. A law is to be passed, now, requiring every Turk to acquire a last name. There is still considerable uncertainty, however, for the Turks can't decide whether to tack the new name before or after their regular name.

Germany: The Nazis last week were presented with concrete evidence that threats of a boycott on German goods, in retaliation to their campaign of anti-Semitism, was something more than mere talk. When German export trade figures for 1933 were gathered together it was found that Germany's export surplus had declined thirty-three per cent over 1932. The only encouragement the Nazis could see was the fact that the decline was less than last year's. In 1932 Germany's favorable balance of trade was forty per cent less than in 1931.

MEXICO -- WHERE TIME STANDS STILL

THERE are nearly twice as many people in Mexico as in Canada. Seen on a map Mexico looks incomparably smaller than Canada. And it is. But it is still large enough to cover as much territory as Germany, France, Great Britain, Spain, Portugal, Holland and Belgium.

In a way it is strange that Mexico, one of the two countries bordering on the United States, should be more foreign to Americans than many European nations. We know more about the French, Germans and British than we do about our tan-skinned neighbors just south of the Rio Grande. There is, of course, considerable justification for this, since we have more vital interests in Europe than in Mexico. But occasionally it is well to forget about interests. What a relaxation it is, in these tempestuous times, to give our attention to a country which will not swamp us with myriad complex problems! For after all, there is more fun in a *fiesta* than in a gold standard.

Mexico is nearly all mountain. It rises from the sea to heights of as much as 18,000 feet. Here and there are small dips and valleys and pockets, many of which are seven or eight thousand feet above sea level. Tucked away in these innumerable corners are little towns and villages which are often as remote from modern civilization as one could wish. It is said that there are hundreds of villages in Mexico in which a wheel has never turned.

And yet Mexico has a civilization which has been traced at least 2,000 years back. Archeologists report traces of a highly cultured people who reached their zenith about 600 A. D. When Europe was struggling through the Dark Ages Mexico was producing architecture, sculpture and painting which rank with the finest yet discovered. This was 900 years before proud Cortez led his Spaniards to the halls of Montezuma.

Today we find that most of Mexico has been left undisturbed by the march of the

centuries. Neither Cortez, nor the machine, nor the American tourist have been able to prevail completely against the simple, unruffled life of the country. At all times the mountains have stood as guardians over changeless settlements, warding off the most ambitious of modernizers. Only in the larger centers has the heavy hand of progress wielded its power. In other places are to be seen scattered motorcars and billboards but for the most part the scenery is unmarred.

If it were possible to take up a whole typical Mexican village by its roots and transplant it, together with its people, to the United States, the contrast offered would be strange indeed. Instead of fac-

tories and plate glass windows we should find the people engaged in handicrafts of all sorts. The chief industry of the village might consist of pottery, glass, lacquered gourds and boxes, wood carving, iron or silver work, embroideries, baskets, woven leather shoes or filigree jewelry. But the making of these articles would not go on all the time. The unique feature of Mexican life is that work varies with the seasons and with the needs of the community. Sometimes main attention is given to tilling the soil, again the people join in improving the village.

There is considerable community work in Mexico. Money is usually scarce and settlements are far from the sources of

manufactured supplies. The people, therefore, work together and exchange their talents to provide their wants. It often happens that with minor exceptions a Mexican community is sufficient unto itself. Of course, the standard of life is much lower than that of the United States. Wants are not so many or so complex. But on the other hand this kind of village life does not expose people to unemployment.

The Mexican is careful not to work too much. His main interest in life is play. In fact, every few days there is a major or minor *fiesta*. This is particularly true of southern Mexico. A *fiesta* is a kind of general, all-round, carefree celebration in which everyone takes part. The only thing to which it may be likened in this country is the annual Mardi Gras for which New Orleans has become famous. *Fiestas* are held for religious, political or for almost any other reason. The Mexican does not need much encouragement to put aside his work and play. He likes to dance, play, eat and shoot fireworks.

This combination of diversified work and frequent play has had the fortunate effect of providing a balanced life for the average Mexican. In consequence the evils of overproduction are less to be feared, the perils of depression may be more easily met.

Of course, the picture is not all bright. There are many things which could be improved in Mexico and the government is attempting to improve them. Conditions of health are frequently deplorable, illiteracy is high, and agriculture is carried on by primitive methods. Wage standards have been so low that the welfare of the people has suffered heavily. The government recently imposed a minimum wage of forty-two cents a day, which, it is believed, will help to improve conditions. Other plans are being drawn up for betterment of the individual's situation. But whatever devices are employed it is more than likely that Mexico will not be much changed.



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OFF TO THE FIESTA

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VOL. III WEDNESDAY, JANUARY 31, 1934 NO. 20

"THE UNCHANGING BEAUTY"

The poem by Richard Le Gallienne which we reproduce on page one tends to inspire a calmness of spirit such as we need in times like these. We are obliged, of course, to give attention to the turmoils and changes of the public life so that we may assist in the direction of affairs. It will be well, however, if we can at the same time acquire poise and balance. If we are ever heedful of unchanging realities we can fight the battles of the public life without losing the joys and satisfaction which come from an appreciation of things which are true and beautiful.

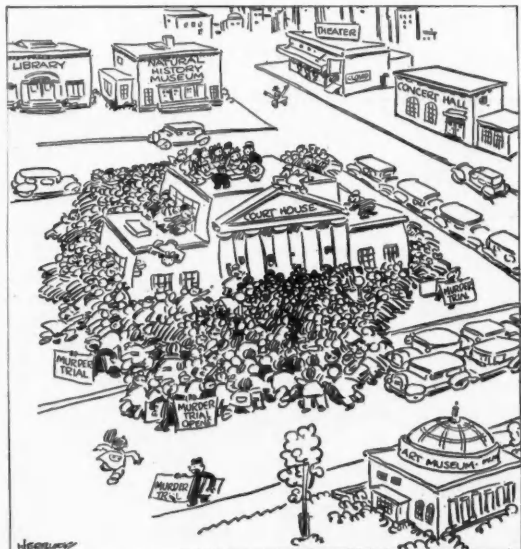
THE CWA ISSUE

The Roosevelt administration is planning to put a check on the activities of the Civil Works Administration. It has been announced that the 4,000,000 men who have been employed through the CWA will be dropped gradually and that the work will be discontinued about next May. It is hoped that by spring private industry will be stimulated and will be calling for more help. It is the hope that the revived industries of the nation will take up the slack in unemployment so that those who are discharged from the CWA will find work elsewhere.

There are indications that business is becoming more active. Private construction is increasing. There is a note of confidence in the air. Bankers, feeling that loans made now are relatively safe, may adopt a more liberal lending policy and the owners of private business organizations may now feel that they can borrow safely and expand their enterprises. The stage appears to be set for increased business activity during the next few months. But the crisis will come when the government withdraws the stimulation it is giving industry through its own emergency activities. Whether or not the slack can be taken up by a more expansive private business program is somewhat problematical.

The government will find it very hard to stop the work of the CWA. It has given jobs to millions of men and there will be a great public clamor if these jobs are withdrawn. The longer the government continues a policy of furnishing work to people the harder it will be to turn aside from that path. Already a widespread demand is being made for the CWA work to continue. It is natural, therefore, that the administration should be very anxious to withdraw from this field just as soon as jobs can be furnished by the normal processes.

But whether the government can do this depends upon whether private industry can furnish millions of additional jobs by next spring. If these jobs are not forthcoming, the government will be obliged either to furnish work to people or else to give outright relief. The reserves of millions of families have been exhausted. Men



—Herblock in Winfield DAILY COURIER

WHY EDUCATORS GET DISCOURAGED

and women must have work or direct relief, or else they must starve; and they are not going to starve without a protest which may reach almost revolutionary proportions. So the administration is bending every energy toward the stimulation of private business. It is hoping that the government can withdraw from the employment field. But the leaders of the administration must know that the government will be obliged to retain responsibility for the people and that if private industry fails to expand sufficiently by next spring the government must take care of millions by means either of jobs or doles.

WAR PREPARATIONS

Senator Frazier of North Dakota made the fifth anniversary of the signing of the Paris Peace Pact the occasion for a criticism of the spirit in which the United States government has conformed to that treaty. This pact contains these two articles:

ARTICLE 1

The high contracting parties solemnly declare in the names of their respective peoples that they condemn recourse to war for the solution of international controversies and renounce it as an instrument of national policy in their relations with one another.

ARTICLE 2

The high contracting parties agree that the settlement or solution of all disputes or conflicts, of whatever nature or of whatever origin they may be, which may arise among them shall never be sought except by pacific means.

Senator Frazier thinks that a nation which has promised never to resort to war as an instrument of national policy should give proof of its intentions by refraining from vast preparations for war. He thinks that during the five-year period that the treaty has been in effect the American record in that respect has been unsatisfactory. He declared in an address to the Senate:

During that time we have appropriated and spent approximately three and a half billion dollars for the upkeep of our war forces in the United States, probably at least three times the amount spent in the five-year period prior to the World War. We have spent during this five-year period a larger amount each year than any other nation on the face of the earth has ever spent in peace times for war purposes, and I must admit that that is not a very good example to set for other countries which have signed this peace pact along with the United States.

The United States was one of the promoters of this peace treaty, and it seems to me it is up to us to do our part to honestly carry it out.

During the last few months some \$238,000,000 have been set aside for new construction of the Navy, and I understand the work has actually been begun on new battleships and other vessels for the Navy. I want to ask, why this immense appropriation for the building of a larger Navy? It certainly is not in harmony with the Paris Pact. The only reason I can see for the enlargement of our Navy at the present time is a determination to make our Navy just a little larger than that of Great Britain.

I desire to ask those who are proponents of a larger Navy—and it seems to me the question naturally arises—Is our Navy for defense or for offense? I am sure that no one will admit that we intend to enter into any offensive warfare, and if the Navy is for defense, then it seems to me we indicate that we doubt the honesty and sincerity of the other sixty-one nations which adopted this so-called "Paris Peace Pact."

We are setting an example that naturally, it seems to me, would lead the people of other nations to think that we ourselves are not seriously bound by the Paris Pact that was adopted by the Senate five years ago.

Children and Depression

Last week we reported the news discovered by Relief Administrator Harry Hopkins—that children in the United States have suffered from the depression more than any other group or class. The following editorial from the San Antonio *Express* is typical of newspaper comment throughout the country:

This nation's children are bearing the brunt of the economic stress. Administrator Hopkins bases that disturbing conclusion upon figures lately gathered in the unemployment-relief census. His tabulation shows that 42 per cent of the persons on relief are children under 16 years old. By contrast, the 1930 census reveals but 31 per cent of the population in that age group.

The inescapable deduction is that children are suffering relatively more heavily from economic conditions than are adults. The injustice of that situation is obvious; certainly the children had nothing to do with any economic, political or other blunders which contributed to the slump. When the further fact that more than one-third of the children on relief are of pre-school age is considered, the indictment against the present order becomes the more serious.

It is true that the Government relief and all the various community welfare agencies have taken great pains to ward off the heaviest blows from the children. As a result, little folk in destitute homes are better fed and clothed than during any previous depression. That good work is reflected in the continued low infant mortality and general death rates. Still, the vital statistics do not tell the whole story; considerable evidence appears that even the extraordinary resources mobilized by the Government have not been equal to the need.

As Kansas Sees It

What effect do high tariffs eventually have on our great farming areas? Does tariff "protection" really protect them? The Kansas City *Star* does not think so, and tells why:

Kansas was brought up on the pure milk of the protectionist word. From the opening of the World War up to the crash of



—Brown in N. Y. HERALD-TRIBUNE
THE ONE-MAN GOLD RUSH IS ON

1929, a false prosperity had masked the real foreign trade situation. The farming West did not realize that in acquiescing in a policy of extravagant protection it was slowly drying up its foreign markets by making it increasingly difficult for other nations to swap their products for American wheat, lard and bacon.

In the depression the effects of this unwise policy have become glaringly apparent. With its agricultural plant built on an export basis, the West is appreciating the need of opening foreign markets to help get rid of farm surpluses.

Fascism in Britain

The news that Lord Rothermere's London *Daily Mail* is now supporting Sir Oswald Mosley's British Fascist party does not impress the editors of the Ottawa (Ontario) *Journal*. This is their opinion of the prospect of Fascism in England:

Sir Oswald Mosley may recruit thousands of followers, hundreds of thousands, but the probability of the majority of Englishmen giving up the things which have been in their blood and bones for a thousand years seems terribly remote.

Italy, Germany, and possibly other countries, may prefer leaders who tell them they are not fit to govern themselves, but the nation which gave to the world the Magna Carta is hardly likely to become convinced that colored shirts or goose-stepping or Roman salutes or castor oil or concentration camps or censorship or race hatred are necessary to insure that the trains run on time, to regulate the balance of trade or to organize a nation's productive powers. England, one prefers to think, will remain England.

The World Court

The New York *World-Telegram* joins Dr. Nicholas Murray Butler in urging participation by the United States in the World Court:

Dr. Nicholas Murray Butler bitterly deplored America's failure to ratify the World Court Protocol calling it the most discreditable thing in the recent history of this country in a speech to the Students International Union. From eighty to ninety per cent of the American people, he said, favor the Court and eighty senators are ready to agree to it. A small group of obstructionists in the Senate Committee on Foreign Relations, he said, bar the country from keeping its word in connection with a Court we invented. With the League of Nations weaker and weaker, and the spirit of nationalism growing, this country owes a greater duty than ever to keep alive the spirit of international cooperation.

Chicago gained 51,000 population in the last year, perhaps because some people who went to the fair didn't have money enough to get back. —*Boston TRANSCRIPT*

Another striking illustration of the way civilization has softened up the Red Man is contained in the story that four of them were killed recently in a dispute over a game of checkers. —*Philadelphia INQUIRER*

Money talks, but only if it is sound money.

—*New York HERALD-TRIBUNE*

When a law student in London, Gandhi was among the best-dressed students. It just goes to show what getting into politics will do for a fellow.

—*Atlanta CONSTITUTION*

The NRA oppresses people who are not willing to accord decent wages and proper hours to human labor.

—*Hugh S. Johnson*

People in fine health will now tell you that they feel as sound as anything not less than fifty cents nor more than sixty cents.

—*New York TIMES*

WITH AUTHORS AND EDITORS

We read old books for their excellence, but new ones to share in the mental life of our time.—SATURDAY REVIEW OF LITERATURE.

By Sinclair Lewis

"Work of Art" by Sinclair Lewis. New York: Doubleday, Doran. \$2.50.

ANNOUNCEMENT of the publication of a new novel by Mr. Lewis is always attended by a great deal of interest throughout the world, for since 1914, when his first novel was published, Sinclair Lewis has established a notable reputation as a fiction writer, and was the first American to receive the Nobel Prize for literature. In fact, to a great many foreigners, the characters portrayed in his various works represent the true picture of the United States. Many Americans, of course, deny this and are not hesitant to denounce Mr. Lewis for his bitterness and satire.

In this, his latest novel, Sinclair Lewis attempts once more to present a picture of the contemporary American scene. It is perfectly obvious, after reading the first few pages, that he is trying to bring into his story as many different types of people as possible so as to survey all classes of the social and economic order. Perhaps his objective is too ambitious, for it cannot be said that he has succeeded in delving deeply enough into the characteristics of the various classes. One gets a smattering and an indication, but that is about all.

This weakness is not, of course, apparent in the treatment of the main characters of the story, particularly Myron Weagle, Mr. Lewis' hero around whose life the entire plot turns. Myron is handled sympathetically and understandably by Mr. Lewis as he tells of the doings of this young American from the time he works in his father's hotel in a small New England town to the end of his career in an equally small hotel in an equally small Middle Western town. All in all, the story makes interesting reading, but it is, we think, inferior to some of the other writings of Sinclair Lewis.

An Unusual Novel

"A Nest of Simple Folk," by Sean O'Faolain. New York: The Viking Press. \$2.50.

IT IS only too seldom that books of the excellence of this new Irish novel appear. Here is a literary contribution that cannot but impress the most exacting of the critics and at the same time appeal to all save the most indiscriminating of readers. Being a first novel, it augurs well for the future place of this young writer in the literary world. Few contemporary authors, either in this country or abroad, are capable of the artistry displayed by Mr. O'Faolain in "A Nest of Simple Folk."

The scene of this story is Ireland, the time from the middle of the last century to the Easter rebellion of 1916. Several generations of an Irish family are his principal characters. The plot is woven around the life of Leo Foxe-Donnel, born of a mother belonging to a decadent aristocracy and a peasant-farmer father. This theme of conflicting caste runs throughout the entire story. But there are other themes and counter-themes of which the most dominating one is that of the revolutionary movement which reached its dramatic climax with the Easter rebellion.

From the age of 27, Leo Foxe-Donnel spent his life fighting for the cause of Irish freedom. He was imprisoned several times as a result of his revolutionary activities. He was betrayed by his own relatives. But underneath all this, which has a peculiarly Irish flavor, there is the recital

of the ways of living of the people whom Mr. O'Faolain knows so well and descriptions of the Irish countryside, towns and villages which attain rich and poignant beauty in the hands of this writer.

Capital Capers

"The Puppet-Show on the Potomac," by Rufus Dart II. New York: McBride. \$2.50.

HOW are senators and representatives made? Do they write all those speeches themselves? How do some men become cabinet members? What is the secret of success in Washington society? What would George Washington think of the city which bears his name and the men who run the government he founded? This book attempts to answer these questions and many others. It is an inside view of the Washington scene, decorated by many witty and amusing stories of the great and near-great.

Mr. Dart calls it all a puppet-show. The puppets dance, he says, while the puppet-masters pull the strings. And by puppets he means the men we elect to public office. There is undeniably a large body of fact to support his contentions, and he has mixed a few bits of fancy with it. Several chapters deal with the practice of "ghost writing" which is prevalent in Washington. The author maintains that the men of brains and ingenuity are those who write the speeches of many of our public figures and do their thinking for them. He does not conceal the identity of the puppets; if he fails to give their names, he always gives helpful hints by which they may be recognized. This book makes profitable reading for any American who wants to know what sometimes goes on in the national capital.

Real Adventure

"Brazilian Adventure," by Peter Fleming. New York: Scribners. \$2.75.

LAST June a young English writer, Peter Fleming, answered an advertisement in the London Times to join a small expedition which was preparing to explore the remote and mysterious jungles of South America. The main purpose of the expedition was to try to solve the mystery of Colonel Fawcett. The colonel, accompanied by his son Jack and another young Englishman, penetrated the black jungles of central Brazil in the summer of 1925. None of the party has ever returned. They merely evaporated from civilization. Imagine, then, the glamour and excitement of starting out in search of the lost party through dark, unknown, dangerous territory!

The searching expedition, of which Mr. Fleming was a member, wandered over three thousand miles of a lost world. Mr. Fleming has vividly related the adventurous experiences of the expedition in his book entitled "Brazilian Adventure."

Mr. Fleming comes to the conclusion that if Colonel Fawcett "is still alive he is mad or he has lost his memory. There are no other circumstances in which it is conceivable that he would deliberately choose to end his days in an existence which at its best, in the dry season, is on a level with the life of beasts."

Phyllis Bentley, the English novelist who is now lecturing in this country and whose latest book, "A Modern Tragedy," will be published tomorrow, at a recent lecture gave some interesting information about how she gets the names for many of the characters appearing in her novels. She declared that she gets many of the names from gravestones.

Following the general views expressed by Frank H. Simonds in his several books and other writings, Sisley Huddleston, an English writer, develops his thesis in a book called "War, Unless . . .", to be published tomorrow by Lippincott. The book analyzes the present situation in Europe, showing that there is grave danger of another great war in the very near future. At the same time, Mr. Simonds' "Can Europe Keep the Peace?" first published in 1931, will be reissued and brought up to date.

A fight—not serious of course—is on between Englishmen and Americans over the use of slang. It all started when Beverley Nichols, a popular young English writer, protested against the importation of American slang expressions into England. In a letter to an American writer, Mr. Nichols declared: "I live in the most English of all countries—Huntingdonshire. The door of our church is riddled with bullets of Cromwell's men. My own cottage began to tumble in the sixteenth century and shows no signs of stopping. The ancestors of the lady who delivers my milk every morning would have regarded Elizabeth as a parvenu. And yet the village boys say, 'Oh yeah' outside of my orchard. They do indeed. They say 'Gee, baby.' . . . It's very disturbing to one who loves the English language. For the village boys are not the only offenders. Even ladies with glistering coronets on their heads—the real ladies, I mean, who use cold cream every night—have got this appalling slang habit. They haven't even got it right. . . . It's as incongruous as Will Rogers in a kilt."

But this protest has been answered by

Ogden Nash, the American humorist, who places a countercharge by saying that a great deal of the slang heard in this country comes from England. Specifically he lays the blame on that extensively read British writer, P. G. Wodehouse. Mr. Nash asserts that the style in smart slang is being set by Wodehouse and that every time a new story is written by the Englishman a batch of new slang expressions are about to circulate in this country.

Several interesting facts stand out in the list of best-selling fiction for 1933, recently announced by *Publisher's Weekly*. In the first place, an American writer,



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SINCLAIR LEWIS

Lloyd C. Douglas, who was practically unknown to the literary world a few years ago, placed two of his novels on the list of the ten best sellers. They were "The Magnificent Obsession," published in 1929, and "Forgive Us Our Trespasses," which came out in 1932. Secondly, there was a decline in the number of woman authors on the list last year as compared with previous years and also a decrease in the number of foreign writers. In addition to the works of Mr. Douglas, the ten best sellers of last year were: "Anthony Adverse," by Hervey Allen; "As the Earth Turns," by Gladys Hasty Carroll; "Ann Vickers," by Sinclair Lewis; "One More River," by John Galsworthy; "The Master of Jalna," by Mazo de la Roche; "Miss Bishop," by Bess Streeter Aldrich; "The Farm," by Louis Bromfield; and "Little Man, What Now?" by Hans Fallada.

John Carter, one time reviewer on the New York Times emerged as a triple personality with the publication on January 25 of "Slow Death at Geneva." Under his own rightful name, and under the pseudonym of Jay Franklin he has written erudite books on international affairs. Then in his lighter moments he indulges in detective stories under the name of "Diplomat." Mr. Carter was for a number of years connected with the U. S. embassies in Rome and Constantinople, and with the State Department at Washington. He resigned from the State Department last year to enter political activity through the organization of the New National Party. He is now living at Washington. "Slow Death at Geneva" is a "Diplomat" detective story.

Coward-McCann, the publishers, are going in for Pulitzer Prize brothers and sisters. Last year they published with great success, "Mother and Four," the first novel of Isabel Wilder, younger sister of Thornton Wilder. This spring they announce a second novel by Miss Wilder, "Heart, Be Still," for May publication, and also the first novel of Christophar LaFarge, brother of Oliver LaFarge, 1929 Pulitzer Prize winner.



—Courtesy Irish Tourists Ass'n.

IRELAND—A LAND OF SIMPLE FOLK

The United States and Japan

(Concluded from page 1, column 1)

which would profit by war. Opposed to these preparedness groups there are peace parties or groups in every country. These people oppose not only war, but preparations for war. They stand out against large appropriations for armies and navies.

Sometimes the conflict between the two groups is very bitter. Oftentimes appropriations hang in the balance and at times like these, when there seems a probability that appropriations for armies or navies may be defeated, the militaristic groups, or the groups desiring larger preparedness, frequently start war scares. They start stories of probable conflict with other nations. They arouse fears among the people and perhaps hatreds. This makes it much easier for them to secure the appropriations.

Internal Japanese Politics

It so happens that Japan is engaged today in a great contest of this kind. There is a war party and a pacific party in Japan. Up until two years ago last fall the party in power was interested chiefly in domestic affairs and was not anxious for military adventures abroad. It was concerned about the economic issues at home. At that time the military party came into power and it has been responsible for the ventures in Manchuria and in China. It is still in control and is planning great increases in the army and navy. Its dominance is threatened, however, by growing unrest in Japan. There is discontent among the laborers and among the farmers. There are demands for economic reform. There are agitations for programs which will provide for a higher standard of living among the people. There are objections to great expenditures for military purposes. It seems very likely that this book, telling of a probable war between Japan and the United States, is put out by members of the military party in order to quiet these agitations; in order to direct the attention of the people from domestic matters and in order to arouse fears against the United States. If the Japanese people can be got into that attitude of mind they will continue the military party in power and will sanction the appropriations for the army and navy.

War Scares in U. S.

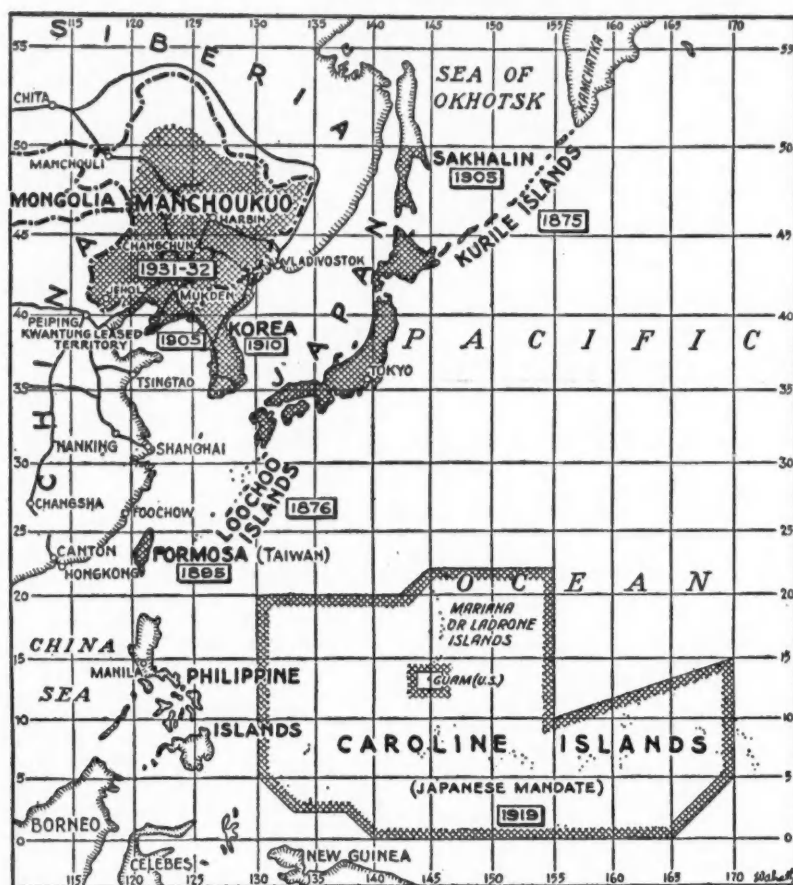
That sort of propaganda is not, of course, confined to Japan. It is carried on in every country. In that connection it is interesting to observe that there is a question in the United States at this moment as to how much money should be spent for the army and navy. The government is proposing to spend this year \$1,250,000,000 for the War and Navy Departments. About \$275,000,000 is to be spent for the navy. A huge naval building program is proposed. That program is being attacked in Congress. A Japanese war scare just



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HIROSHI SAITO

Who will soon arrive in the United States to take his post as Japanese ambassador.



THE JAPANESE EMPIRE
(From "The Tinder Box of Asia" by George E. Sokolski. Doubleday, Doran.)

at this time would, naturally, strengthen the hands of those who want the navy appropriations. The publication of stories to the effect that prominent Japanese are talking of war with this country will help the appropriations along. Whatever the motives of newspapers may be, when they give publicity to these stories the effect will be to further our own military and naval preparations.

Thus we see an illustration of how publicity of this sort moves in a vicious circle. The advocates of preparedness in one country talk of war with another country in order to stir their own people up and get the desired appropriations. This arouses the fear of the people of the other country and leads to a demand for further preparations. Advocates of preparedness there play up the assumed war danger and the first thing we know fears and hatreds are aroused in both nations and the danger of war, which was at first imaginary, becomes real.

A Real Issue

So we can easily give too much attention to these war scares. But that does not answer the question as to whether there are real conflicts of interest between the United States and Japan. There is no doubt a fundamental conflict of policy with respect to China. There are grounds for believing that the Japanese have a real fear that they must some day expect active opposition from the United States to their policy with regard to China. A number of Japanese leaders have spoken of a crisis to come in 1935-1936. At that time the Washington and London naval agreements will expire and it is no secret that the Japanese intend to announce their desire for a navy as large as those of the United States and Great Britain. They may go beyond this. They may take the occasion to announce a Far Eastern Monroe Doctrine under which Japan would declare the whole Far East under her special protection, not to be interfered with by other powers. That the Japanese are thinking of taking these two steps is common knowledge. And they look for trouble from the United States when they do. For, there is a fundamental difference

between Japanese and American policies toward China which cannot remain forever unreconciled. The Japanese are convinced that the Chinese are incapable of governing themselves satisfactorily and that it is best for the Far East as a whole that foreigners take over the supervision of Chinese territory. The Japanese believe that they themselves are the logical guardians of China. By reason of proximity and common interests they think they are the logical ones to dominate the Far East. It is important to bear in mind that millions of Japanese are as convinced of this as a person may be convinced of a religious principle. The point cannot be argued with them. They maintain that to establish rule over the Far East is a divine mission, from which they cannot be turned away by any earthly power, no matter how great.

America and China

The United States, on the other hand, has taken the position for more than thirty years that China is capable of self-government, and that other nations should give her every opportunity to develop her own institutions. This principle was first enunciated at the turn of the century, and was later written into treaty form in the Nine Power Pact of 1922. This has been the keystone of our policy in the Far East.

But, it may be argued, we have not shown any signs of becoming aggressive about that policy and there is certainly no need for the Japanese to fear that we are going to fight them. There is a strong sentiment in the United States for peace with all nations.

It cannot be said that all the Japanese feel as we do about this. Many of them are of the opinion that had it not been for the United States, Manchukuo would long since have been recognized by the nations. They believe that former Secretary of State Stimson's active opposition to the detaching of Manchuria from China was the principal reason for the strong stand taken by the League of Nations. We are held largely responsible for the dispute between Japan and the League.

It seems fairly certain, therefore, that the Japanese are resolved to maintain a

dominant position in the Far East. They are determined to exercise an influence over China comparable to that which the United States for many years has exerted over the nations of the Western Hemisphere. If the United States condemns such a policy merely by words, there is not likely to be conflict. But if our country should act to prevent Japan from carrying out that policy, it seems probable that Japan will resort to force to carry out her designs. The American people will probably have to decide sometime whether or not they have a great interest in keeping China free from Japanese influence—an interest great enough to justify our going to war to preserve it. The other alternative, of course, is to keep hands off Japanese-Chinese relations, just as we have expected European nations to keep hands off our Latin-American relations.

Forces Making for Peace

But while there are certain conflicts of interest between Japan and the United States—conflicts which the war parties of both countries capitalize—there are also many interests which the two countries have in common. Senator Dill, of Washington, speaking in the Senate a few days ago, insisted upon the desirability of maintaining Japanese-American peace, and he placed in the *Congressional Record* the following excerpt from an article which appeared in the December, 1933, *Forum*:

The continuous flood of anti-Japanese material in the United States is closely watched by Japanese jingoists, who use it to persuade the people that Japan is facing a very real "American menace." They actually have more reason to fear us than we have them. And our muscle-flexing moves in the Pacific have not helped matters any. Many Japanese are genuinely concerned as to whether we have imperialistic ambitions in the Orient. If so, they reason, wouldn't we wipe out Japan first, as our chief obstacle?

Yet we know that there is no danger of our launching a campaign of aggression against Japan. And Japan could never afford to attack us. She is dependent for her economic existence upon her foreign trade, which is dwindling rapidly. The United States is her best customer, taking from 40 to 45 per cent of her total exports. Japan cannot afford to cut her throat economically by throwing off the income from America. The trade with Manchukuo will have no compensatory effect for many years to come, and the raw materials in Manchukuo cannot soon supplant those in the United States.

War with the United States would demand enormous expenditures. Japan could not finance so vast an undertaking, and, considering the gamble, it is doubtful if any other nation would lend her money or credit. The national debt of Japan has doubled in the past dozen years and promises to increase further. She is in dire financial straits, with little improvement in sight.

Japan as a snarling menace to our national security, ready to pounce upon us with bared fangs? Ridiculous. Let us use our good, old, common, American horse sense. Suppose that, instead of fostering suspicion and hatred of Japan, we bend our intelligent efforts to cultivating her good will and cooperation.



© Wide World

SADAO ARAKI

Until recently minister of war in Japan and leader of military party. (See p. 3.)



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ST. MARY'S LIGHT ON THE SOO CANAL WHICH CONNECTS LAKES SUPERIOR AND MICHIGAN

Senate Discusses the St. Lawrence Treaty

(Concluded from page 1, column 4)

Senator Robert F. Wagner of New York, who had so much to do with setting the NRA into motion, submitted a report denouncing the treaty on the same day that the president's special message was received. It may be that President Roosevelt will meet his first reversal in Congress on this issue. On the other hand, it may be another occasion for a demonstration of his enormous prestige.

The Arguments for

How is the average person to know whether the St. Lawrence Waterway is a worthy or an unworthy project for this country? It is not an easy matter to determine, for one must grapple with conflicting statistics and statements by engineers and economists who have ranged themselves on either side of the controversy.

President Roosevelt sent to the Senate an exhaustive report representing studies made by official agencies in support of the treaty. The president's report states that the proposed seaway will make seaports of such cities as Duluth, Milwaukee, Chicago, Detroit and Cleveland. Ocean-going vessels will be able to transport products to and from the interior of the United States. Eighteen states, extending as far south as Kentucky and as far west as Montana, will be affected. Among the products exported to foreign countries from this region are wheat and grain products, meats and animal fats, manufactured iron, chemicals, automobiles, agricultural implements and copper. The imports include sugar, rubber, coffee, bananas and manganese. These products could be moved at much lower rates than prevail at present for land transportation. It is estimated that the annual saving in freight rates made possible by this new water route would amount to \$79,000,000.

And, the report points out, the advantages of the proposed seaway would not only be felt in so far as our foreign trade is concerned. Emphasis is laid on the fact that four-fifths of this country's total water commerce is purely domestic in character—from one American port to another. The report states:

The predominance of domestic over foreign commerce in the water-borne commerce of the United States is a highly important factor which must be considered in appraising the effect of the Great Lakes-St. Lawrence seaway on the several coast lines and ports interested directly or indirectly in the development.

It is reasonable to believe . . . that at

least 80 per cent of the new traffic that will be developed by the improvement of the Great Lakes-St. Lawrence seaway will be domestic commerce moving between the ports on the Great Lakes and the existing ports on the Atlantic, Gulf and Pacific coasts.

This suggests that the ports on the other coasts will be more largely benefited by the growth of intercoastal commerce moving via the Great Lakes-St. Lawrence waterway than they can be injured by changes in the movement of foreign commerce occasioned thereby.

But would not the diversion of so much traffic prove harmful to railroads and other media of land transportation? The president's report holds that it will not and cites the Panama Canal as an example:

The period 1920-1929 was characterized by increasing traffic between the Atlantic and Pacific coasts via the Panama Canal, estimated to save the country upward of \$900,000,000 in freight charges as compared with what it would have cost to ship the same traffic by rail. At the same time inland-waterway commerce was increasing. Yet in that period the railroads showed the best consecutive record of dividend payments in their history, and disbursed a total of more than \$10,000,000,000, or an average of over \$1,000,000,000 a year in dividend and interest payments.

The Arguments Against

These are the main arguments in favor of the St. Lawrence seaway. How are they met by opponents of the treaty? It is claimed that the distance to be traveled through the proposed channel is too great. It would take an ordinary vessel nine days to traverse the entire length of it. Other combined rail and water routes are much shorter and efficient. Moreover, the seaway could only be used about six or seven months of the year. It would not be practical to navigate it during the rest of the time on account of ice obstruction.

A channel depth of twenty-seven feet is held to be insufficient. Modern ocean liners could not make use of it, yet an increasing portion of our foreign trade is being carried by this type of vessel. Lake boats cannot navigate the ocean, and would be valueless. And it is maintained that there

would be much more outbound traffic than inbound. Thus, it would be difficult to obtain return cargoes, without which shipping rates would necessarily be high.

Opponents of the treaty estimate that the cost of the seaway would be higher than the figure given by the government. Senator Wagner contends that the cost would be \$573,136,000 rather than \$272,453,000. He points out that no allowances have been made for interest charges, the likelihood of unanticipated delays and "the cost of harbor and port improvements to meet the needs of ocean-going vessels."

Then it is said that the freight savings to the shipper would not be as great as computed. On grain it would only amount to about four cents a bushel, and the farmer would not receive all this, as more than half would be absorbed by foreign purchasers. In contrast the cost of building the seaway will amount to 7.4 cents annually per capita for the population of the United States.

It is pointed out, too, that the St. Lawrence waterway would be of greater benefit to Canada than to the United States. As Senator Wagner said:

Even before the depression 75.5 per cent of the grain moving over the St. Lawrence canals was Canadian. The total Canadian potential grain traffic for the waterway has been estimated at 4,360,000 tons compared with 2,067,000 tons for the United States.

Canadian acreage is tending to increase, while that in the Middle West is moving downward, and the American farmer is being systematically excluded from the British market in favor of the Canadian grower.

Railway Competition

Senator Wagner has also said that "the very core of the St. Lawrence plan is the intent to face the railroads with competition, and thus to decrease activity in one industry as fast as it is created in another." This factor of competition is one of the most widely disputed points in the whole controversy. Treaty opponents maintain that railway facilities are fully adequate to care for the traffic, and are likely to be for some time to come. If the traffic increases, it would be possible to build three double-track freight lines from Chicago to Boston, for the same cost of the waterway, and that the capacity would be ten times as great. Moreover, it is claimed that new developments in rail transportation are on the way which will permit lower rates than are now prevailing. If the seaway were to be built the railways would probably be in a position to lower their charges and the advantages of the water route would be completely nullified.

Other Arguments

These are the broad arguments against the St. Lawrence seaway. In addition opposition comes from more definite sources. Such seaports as New York, Philadelphia, Baltimore and New Orleans fear that they would lose too much ocean-going traffic. As we have seen, the president's report denies this, just as it denies many other claims of the opposing faction, but the impression remains.

There is less dispute with regard to the water power development planned as part

of the St. Lawrence seaway. It is estimated that the St. Lawrence is capable of furnishing 5,000,000 horsepower of electricity. Most of this is in sections which are entirely Canadian and the United States would only receive about a fifth. This would be sufficient, however, to provide cheap electric power over a wide area. New York would be the principal beneficiary. This fits in with President Roosevelt's plan to develop great power sources in the Tennessee Valley for the south, at Boulder Dam for the southwest, in the Columbia River for the northwest and in the St. Lawrence region for the northeast.

Senator Wagner and other opponents of the seaway agree that the power resources of the St. Lawrence should be utilized, but suggest that it need not be done in connection with a waterway. It would be cheaper, they say, to erect independent units to develop the power of the St. Lawrence.

Water Power

And so stands the issue of the St. Lawrence seaway. There are an immense number of pros and cons, only a few of which we have been able to list here. As we have stated, the evidence is largely contradictory and it is not easy to arrive at an accurate judgment. President Roosevelt, however, has been entirely won over to the treaty. He believes it should be passed and without delay. In his message to Congress he laid stress upon the fact that every major undertaking has been criticized, as the proposed waterway is being criticized. Said the president:

It is, I believe, a historic fact that every great improvement directed to better commercial communications, whether in the case of railroads into new territory, or the deepening of great rivers, or the building of canals, or even the cutting of the Isthmus of Panama, have all been subjected to opposition on the part of local interests which conjure up imaginary fears and fail to realize that improved transportation results in increased commerce, benefiting directly or indirectly all sections.

For example, I am convinced that the building of the St. Lawrence seaway will not injure the railroads or throw their employees out of work; that it will not in any way interfere with the proper use of the Mississippi River or the Missouri River for navigation. Let us be wholly frank in saying that it is better economics to send grain or other raw materials from our northwest to Europe via the Great Lakes and St. Lawrence than it is to send them around three sides of a square—via Texas ports or the Mississippi, thence, through the Gulf of Mexico and thence, from the southern end of the North Atlantic to its northern end.

I subscribe to the definite belief that the completion of the seaway will greatly serve the economic and transportation needs of a vast area of the United States and should, therefore, be considered from the national point of view.

HOME LOANS

More than \$71,000,000 in loans to urban home owners was announced by the Home Owners Loan Corporation for the five-week period ending January 5. This is sixty per cent of the total amount loaned to date by the HOLC, and indicates that action by that recovery agency has been accelerated greatly in recent months.



—Drawn for THE AMERICAN OBSERVER

MAP OF THE PROPOSED ST. LAWRENCE WATERWAY



The National Capital Week by Week

A Record of the Government in Action



The President

Forestalling a move by some of the members of the House of Representatives to propose new appropriations for war veterans, President Roosevelt has announced the restoration of \$21,000,000 in pensions and other benefits which had been cut out by the Economy Act. The president has power to make this change under the law passed at the special session of Congress last spring. He based his recommendations for larger payments to veterans on studies made by Brig. Gen. Frank T. Hines, administrator of veterans' affairs.

Mr. Roosevelt signed the bill extending the life of the Reconstruction Finance Corporation to February 1, 1935, and increasing its funds by \$850,000,000. In a letter to Chairman Jesse H. Jones, made public after he signed the bill, the president emphasized his belief that the RFC will be able to end its work early next year, and that it is not authorized to make any loans after that time. It is expected that many of the loans this year will be made to railroads, to help them meet obligations which will soon become due.

During the week the president turned his attention to a condition in the Democratic party which threatened to become a political scandal. Several members of the Democratic national committee have been engaged in law practice in Washington. They have led their clients to believe that they possessed special influence with the administration; on this basis they have collected large fees for their services. Mr. Roosevelt vigorously expressed the opinion that no member of the national committee should take advantage of his position in that way. Robert Jackson, secretary of the committee, immediately resigned. So did Frank C. Walker, its treasurer, who is also chairman of the president's National Executive Council. Jackson has a law office in Washington, but Walker has apparently made no personal profit from his offices. His resignation simply showed that he backs the president's views. Postmaster General Farley has not indicated definitely that he will resign as national Democratic chairman, but he may do so. Many well-informed persons believe Mr. Farley will become a candidate for governor of New York at the next election.

Representatives of leading farm organizations, including the National Grange and the American Farm Bureau Federation, met with the president and laid before him their seven-point agricultural program. They approved the monetary policy now proposed, and urged stabilization of the dollar with a wider use of silver as a currency base.

Congress

The House of Representatives has no NRA code, so there is no way to determine when its members work overtime. They stayed in session longer than usual, however, while considering the president's monetary bill. The congressmen are not

used to a Saturday session, but this time they debated the new law until seven o'clock Saturday evening. Just before adjournment at that hour they passed the bill by a vote of 360 to 40. Almost no changes were made in the bill by the House, and the Democratic majority held

mittee, on the other hand, decided that two elections in the Sixth Congressional District of Louisiana were both illegal. Neither Mrs. Bolivar Kemp, a Long candidate, nor J. Y. Sanders, an anti-Long man, will be seated by the House.

The other Texan in the Senate, Morris

had been a decided success. He stated that good news to the president in their conference last Sunday. Certainly Mr. Hull scored a personal triumph at Montevideo; Latin-American officials are enthusiastic and sincere in their expressions of good will toward him. He will be hard at work from now on devising individual tariff agreements to be made with various nations in order to revive our foreign trade. But his efforts and those of Mr. Roosevelt along this line are still subject to the approval of Congress, which may not be very easy to obtain.

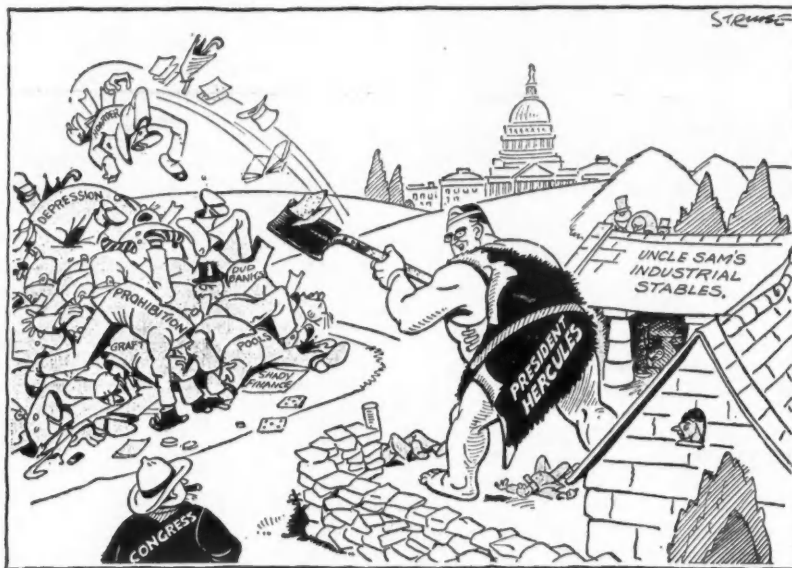
Our national income dropped forty per cent from 1929 to 1932. That is the most interesting revelation in the report of the Bureau of Foreign and Domestic Commerce of the Department of Commerce, recently made public. The total individual income in the United States was eighty-one billion dollars in 1929, but in 1932 it had slumped to forty-nine billion.

Recovery Program

Everyone seems to be making reports in Washington these days. It is a good time to discover our general condition. Not the least important of these documents is that just released by Mr. Joseph B. Eastman, federal coordinator of transportation. Mr. Eastman knows more about our railroads than any other man; during the last year he has done a tremendous amount of work quietly and efficiently. For the railroad business is in a bad tangle. Mr. Eastman reports that public ownership must come eventually. He thinks that is the only answer to the railroad problem. But he does not believe the government can take over the roads at present, because of the great financial burden involved. He has prepared a program of operation to be used in the meantime. Some lines must be consolidated with others, and economy and service must be our transportation watchwords. Later, he says, the federal government may be able to buy the railroads by issuing long-term bonds.

At present it seems likely that the president's intervention will settle peaceably the dispute between Public Works Administrator Ickes and Comptroller General McCarl over the emergency housing program. (This controversy is described in detail on page 2.)

Also on page 2 this week we print a news note about the charges of Senators Borah, Nye, and Glass that the NRA codes are promoting monopoly in many industries. This tendency is the principal difficulty of the NRA now, and General Johnson realizes it, even though he answers the charges in his usual colorful style. Code enforcement is the main problem. Early in February there will be a meeting in Washington of all members of the various code authorities, to thresh out this trouble. Perhaps the best feature of the NRA movement is the fact that the men who run it are continually trying to remedy its faults. That makes for progress.



—London DAILY EXPRESS

CLEANING THE AUGEAN STABLES
Hercules: "Any complaints?" Congress: "No. Carry on, here."

firm to pass it by an overwhelming margin. Only two Democrats voted against it, and sixty-eight Republicans supported the administration. The measure now is in the hands of the Senate. It will undoubtedly be passed there, but not until it has been washed by a flood of oratory, pro and con. Perhaps the senators will favor a few amendments limiting the powers of the secretary of the treasury and making him more responsible to Congress.

Also passed by the House was the bill guaranteeing the Farm Credit Administration bonds. It is now in the Senate, where debate on the St. Lawrence Waterway treaty still goes on. Both Houses have passed the District of Columbia liquor control bill; the president will sign it as soon as a thorough study convinces him that it is sound.

Both houses heard about Louisiana last week. Senator Tom Connally of Texas, who looks, talks, and acts like the popular conception of a senator, gave the report of his subcommittee which investigated the election of Senator Overton. Overton was sponsored by Huey Long's political machine. The committee came to no conclusion, except that Louisiana politics are not very inspiring. Mr. Connally is satisfied that Overton was duly elected. A House of Representatives election com-

Sheppard, who is soft-voiced and bone dry, delivered his annual speech in praise of the eighteenth amendment. Even though prohibition is officially dead, Senator Sheppard retains his loyalty to the amendment he helped to write. On each anniversary of its passage Mr. Sheppard pours out his praise of his handiwork. No one can say that he hasn't the courage of his convictions.

Executive Departments

Secretary of Labor Frances Perkins made her first annual report to the president, strongly urging unemployment insurance and old age pensions. Miss Perkins stated that no cure for unemployment has been discovered; therefore a system of protection for the unemployed should be devised in each state. Old age pensions would have a similar purpose, preventing suffering to aged people, and removing them from competition for jobs. The report also suggested full use of the government employment service by workers and employees, planning of production to stabilize employment, provision for low-cost housing, and permanent use of the hour and wage provisions of the NRA.

Secretary of State Hull returned to Washington from South America, convinced that the Pan-American Conference

Something to Think About

1. What classes of people in the United States might profit by the St. Lawrence Waterway and how? What communities and what special interests might suffer if the canal is built?
2. "If the government is going to build a canal at the expense of the taxpayers and allow ships to use it without the payment of tolls, it ought, recognizing the fact that these ships will compete with the railroads, to build tracks and equipment for the railroads at the expense of the taxpayers." Is this a fair statement?
3. Is there danger that the railroads will lose business on traffic from Chicago to the Atlantic if the waterway is built and that to make up for the loss they will be obliged to charge higher freight rates on goods hauled elsewhere in the country?
4. Discuss the effect of war scares in stirring up the resentment of people in one country against the people of another country. What are some of the motives of those who give publicity to these war scares?
5. What are some of the differences in policy which might lead to conflict between the United States and Japan? Do you think that Japan has a right to maintain something like a Monroe Doctrine in the Far East? Would you be willing to give your life or to risk your life to prevent the carrying out of such a Japanese program? Does your answer to this last question indicate your opinion as to what American policy toward Japan and China should be?

6. How would the people of Japan and the United States be hurt economically by a war between the two countries?
7. What nation is at this time spending most in preparation for war?
8. Describe the nature of a political "machine" in an American city. Do you have any thing like that in your community?
9. Why did President Roosevelt ask for the resignation of several members of the Democratic national committee? Do you think he was fair to these men, who may lose money by his action?

REFERENCES: (a) Japan in Manchukuo. *Foreign Affairs*, January, 1934, pp. 295-305. (b) Japanese Strategy in the Far East. *Yale Review*, September, 1933, pp. 78-87. (c) Japan's Manchurian Blunder. *New Republic*, December 6, 1933, pp. 91-93. (d) The St. Lawrence Treaty. *Nation*, August 10, 1932, pp. 119-120. (e) The St. Lawrence Waterway Treaty. *Current History*, September, 1932, pp. 693-696. (f) A National Waterway. *Nation*, January 24, 1934, pp. 89-90. (g) A New Rebellion in China. *Nation*, January 24, 1934, pp. 99-100.

PRONUNCIATIONS: Suetsugu (soo'et-soo'goo), Mendieta (men'dee-et'a—e as in met), Hevia (eh'vee-a), Paul-Boncour (pol—o as in old, bon-koor—o as in go, n is scarcely sounded), Sadao Araki (sa-dah'o a-rah'kee—a as in art), Hiroshi Saito (he-ro' shee say'to), Senjuro Hayashi (sen-joo'ro hay-ah'shee).